

## State Need Grant Update

December 2001

### Background

The Board's September 2001 meeting packet (Tab 6) included a State Need Grant program update. The update provided summary information on student eligibility, briefly described how the program is administered, and noted work underway to improve the process used by the Board to allocate State Need Grant funds to institutions for distribution to eligible students. The September report also included preliminary information on institutional allocations and expenditures for the 2000-2001 academic year.

This paper outlines the program's major goals, principles, and outcomes and provides updated information on work underway to improve program administration. Attached is a report showing final, reconciled State Need Grant disbursements by sector and by institution for the 2000-2001 academic year, as well as the initial reserve made to each participating institution for the 2001-2002 academic year.

The State Need Grant program's distinguishing characteristic is its statewide-consistent determination of student eligibility and standardized grant amounts. Unlike many other financial aid programs, in which institutions specify student eligibility criteria and award amounts within broad guidelines, State Need Grant eligibility and grant amounts are established by the Higher Education Coordinating Board (HECB) and are uniformly applied by participating institutions. As a result, students with similar circumstances (based on income and family size) receive equal treatment regardless of where they live or go to college.

Several principles framed the establishment of the State Need Grant program. Although some aspects of the program have been modified in response to changes in federal student financial aid policies, or as a result of program evaluations conducted by the HECB or its predecessor agencies, the program's fundamental goals have remained essentially unchanged since the program's inception some thirty years ago. These goals and principles and their resulting outcomes, include the following:

Goal	Principles	Outcomes
<b>Access to post-secondary education for Washington residents who could not attend without financial assistance</b>	<ul style="list-style-type: none"><li>▪ The State Need Grant program should increase higher education opportunities for citizens of the state who are the lowest income and demonstrate the most economic need.</li></ul>	<ul style="list-style-type: none"><li>▪ Postsecondary educational opportunity for academically prepared state residents who do not have the financial means to attend without assistance.</li><li>▪ Citizens with education/training to contribute to the state's economic and social welfare.</li></ul>

Goal	Principles	Outcomes
<b>Statewide consistency</b>	<ul style="list-style-type: none"> <li>▪ Eligibility for a grant is the same for students across the state.</li> <li>▪ Grant amounts are the same for students attending the same types of institutions.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Enables the Legislature to establish statewide goals for grant eligibility, estimate associated costs, know what income levels will be served, and measure the extent to which available appropriations met the intended goals.</li> <li>▪ Statewide consistent program policies and administrative procedures.</li> <li>▪ Equitable treatment of students with similar financial circumstances.</li> <li>▪ Students and their families have reasonable certainty regarding their eligibility.</li> </ul>
<b>Focus on students</b>	<ul style="list-style-type: none"> <li>▪ Eligibility for a grant is based on the individual's financial circumstances, not on which eligible college they attend.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Eligibility is the same at all participating institutions.</li> <li>▪ Eligibility not subject to institutional decisions regarding amount of revenue to be expended for student financial aid or local eligibility criteria.</li> </ul>
<b>Centralized policy and oversight; local administration</b>	<ul style="list-style-type: none"> <li>▪ Statewide consistent student eligibility and sector-consistent grant amounts.</li> <li>▪ Institutional identification, awarding, and monitoring of eligible students.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Statewide policy development, fund management, and program evaluation.</li> <li>▪ Institutional recipient identification and program administration.</li> <li>▪ Coordination of SNG with other sources and types of financial aid.</li> </ul>
<b>Student choice of eligible institutions and program of study</b>	<ul style="list-style-type: none"> <li>▪ Grants are to follow students to their choice of eligible institutions.</li> <li>▪ The program allows for vocational and academic study at any eligible institution.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Grants may be used for vocational training or for study leading to an associate or baccalaureate degree at any participating career college, public community/technical college, public baccalaureate institution, or independent college or university.</li> <li>▪ Students do not lose eligibility if they transfer to another participating institution.</li> </ul>
<b>Maximization of state resources</b>	<ul style="list-style-type: none"> <li>▪ Policies and administrative procedures for the State Need Grant program are to complement and be coordinated with other existing financial aid programs.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Responsiveness to needs not met by other federal, state, or institutional financial aid programs.</li> <li>▪ Minimized administrative costs.</li> </ul>

The State Need Grant program features statewide policies and coordination, together with local recipient identification and administration. This model, which capitalizes on the roles best played by the Higher Education Coordinating Board and by institutions, provides benefits that could not be achieved through a program administered exclusively by a centralized agency, or exclusively by individual institutions.

It is in this “shared responsibility” context that the Board periodically reviews program policies and administrative procedures to ensure that the program is responsive to state policy objectives and student needs. The Board further looks to see that administrative processes support institutions’ abilities to serve the intended population as efficiently as possible.

As reported in the September briefing paper, HECB staff have recently been engaged in a review of the processes used to allocate State Need Grant appropriations to institutions for distribution to eligible students. The staff convened a work group comprised of financial aid directors from each sector, along with representatives of the Washington Association of Independent Colleges and Universities, the State Board for Community and Technical Colleges, the Council of Presidents, and the Washington Federation of Private Career Schools and Colleges to assist in this review. In addition, staff members from the Senate and House higher education and fiscal committees have been invited to participate in work group meetings.

The work group has focused on issues related to program administration. The group has developed a method whereby institutions can provide the HECB with the information it needs to more accurately forecast student eligibility and enrollment patterns, by institution, for the upcoming year. In addition, the work group has considered ways in which the Board can provide institutions with earlier notification of student eligibility criteria and grant amounts, and minimize the need for adjustments once awards have been made to students.

To facilitate these improvements, the work group proposed an enhanced reporting procedure that will provide detailed, student-specific reports on State Need Grant recipients each term, along with information regarding eligible students who could not be awarded grants due to lack of funds. Schools will report this information each term.

The new reporting procedure was implemented this fall. Data from the first reports are being compiled, and will be reported to the Board at its meeting in December.

**STATE NEED GRANT DISTRIBUTION BY SECTOR**

	2000-2001 Disbursements		2001-2002 Reserve	
Sector	# of Students Served	Total Allocated and Disbursed	Initial Reserve	% Change From 2000-01
Doctoral	8,820	\$22,799,765	\$24,523,113	8%
Regional	7,819	16,163,071	16,880,251	4%
Private Four Year	3201	8,520,190	8,314,468	-2%
CTC	30,612	35,764,439	36,178,718	1%
Private Career Colleges	2,854	3,408,886	3,721,605	9%
Reciprocity	39	78,800	9,000	-89%
<b>Total</b>	<b>53,345</b>	<b>\$86,735,151</b>	<b>\$89,627,155</b>	<b>3%</b>

**STATE NEED GRANT DISTRIBUTION BY INSTITUTION**

	2000-2001 Disbursements			2001-2002 Reserve
Institution	# of Students Served	Total Allocated and Disbursed	Maximum % MFI Level Served	Initial Reserve
University of Washington	5,168	\$13,649,084	65	\$14,337,774
Washington State University	3,652	9,150,681	65	10,185,338
Central Washington University	2,092	4,350,080	65	4,164,200
Eastern Washington University	2,286	4,918,838	65	5,199,507
The Evergreen State College	976	2,046,620	65	2,596,827
Western Washington University	2,465	4,847,533	65	4,919,716
North Idaho College	5	7,752	55	9,000
Portland State University	34	71,048	55	N/A
Bastyr University	52	131,982	55	133,673
Cornish Institute	123	359,088	55	380,576
Heritage College	363	871,634	65	839,092
Gonzaga University	372	969,284	65	976,619
Henry Cogswell	8	29,330	65	26,397
Northwest College-Kirkland	134	368,478	65	374,508
NW College of Art-Poulsbo	12	18,757	65	26,596
Pacific Lutheran University	530	1,472,650	65	1,327,800
Saint Martin's College	233	568,342	65	625,388
Seattle Pacific University	292	801,717	65	798,203
Seattle University	482	1,336,938	65	1,226,854
University of Puget Sound	122	350,721	65	314,164
Walla Walla College	178	486,733	65	474,200
Whitman College	48	143,298	59	139,334
Whitworth College	252	611,238	65	651,065

	2000-2001 Disbursements			2001-2002 Reserve
Institution	# of Students Served	Total Allocated and Disbursed	Maximum % MFI Level Served	Initial Reserve
Bellevue Community College	955	\$1,131,786	65	\$1,054,859
Big Bend Community College	421	578,048	65	679,944
Cascadia Community College	105	120,000	65	157,250
Centralia College	493	615,667	65	619,364
Clark College	1,510	1,533,196	65	1,480,080
Columbia Basin College	953	1,066,613	65	1,137,233
Edmonds Community College	853	1,125,393	65	1,017,657
Everett Community College	755	889,291	65	841,914
Pierce College	1,273	1,516,102	65	1,354,119
Grays Harbor College	709	818,987	65	749,839
Green River Community College	668	653,369	65	698,398
Highline College	1,047	1,362,333	65	1,326,366
Lower Columbia College	892	948,950	65	983,084
South Puget Sound Community Col.	917	1,038,558	65	1,021,190
Olympic College	1,000	1,221,897	65	1,136,758
Peninsula College	526	610,993	65	637,041
Seattle Central Community College	1,343	1,496,153	65	1,476,794
North Seattle Community College	658	758,911	55	709,841
South Seattle Community College	509	621,655	55	587,450
Shoreline Community College	772	900,814	65	905,860
Skagit Valley College	796	932,131	65	911,599
Spokane Community College	2,889	3,656,534	65	4,505,082
Spokane Falls Community College	2,317	2,832,465	65	2,736,851
Tacoma Community College	1,533	1,528,338	65	1,614,635
Walla Walla Community College	649	878,896	65	903,285
Wenatchee Valley College	854	1,034,847	65	1,046,240
Whatcom Community College	903	962,406	65	930,647
Yakima Valley College	1,320	1,543,735	65	1,539,190
Northwest Indian College	206	192,802	65	247,239
Bates Technical College	627	779,182	65	750,867
Bellingham Technical College	282	300,971	65	309,188
Clover Park Technical College	950	1,086,004	65	1,075,347
Lake Wash Technical College	433	498,300	65	471,859
Renton Technical College	384	420,597	65	451,237
Seattle Vocational Institute	110	108,517	65	110,411

	2000-2001 Disbursements			2001-2002 Reserve
Institution	# of Students Served	Total Allocated and Disbursed	Maximum % MFI Level Served	Initial Reserve
ITT Tech. Institute - Seattle	235	\$ 289,767	65	\$ 301,640
ITT Tech. Institute - Spokane	295	348,173	65	324,211
Business Computer Training Inst.	907	1,049,213	65	1,154,893
Divers Institute of Technology	10	17,988	50	16,189
International Air Academy	58	59,953	65	125,843
Interface Computer School	141	165,942	65	194,767
Crown College	54	51,727	65	54,982
Gene Juarez Academy	112	149,165	65	167,777
Bryman College	212	223,431	65	368,466
Art Institute of Seattle	420	516,462	65	476,178
Perry Technical Institute	154	204,057	65	180,681
Court Reporting Institute	106	140,572	65	146,328
Ashmead College	26	28,968	under 55	39,844
Clare's Beauty College	49	73,545	65	86,009
Glen Dow Academy	75	89,923	60	83,798
<b>GRAND TOTALS</b>	<b>53,345</b>	<b>\$86,753,151</b>		<b>\$89,627,155</b>